

U.S. House of Representatives
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Opening Statement

Representative Elijah E. Cummings, D-Maryland

“Healthier Feds and Families: Introducing Information Technology into the Federal Employees’ Health Benefits Program”

Subcommittee on Federal Workforce and Agency Organization
Committee on Government Reform

June 13, 2006

Mr. Chairman,

Thank you for holding this important hearing to investigate the use of information technology (IT) in health care.

As you know, rising health care costs have reached historic levels, burdening all citizens, and disproportionately burdening our most vulnerable populations—children, the elderly and the poor. Every 30 seconds in the United States, someone files for bankruptcy in the aftermath of a serious health problem.

In the time that passed since I began this statement, an elderly grandmother, the father of a sick child, or a young woman battling disease filed for bankruptcy because of the unconscionably high cost of health care.

People are dying, Mr. Chairman, because they cannot afford to pay their medical bills.

We have an obligation to do all we can to lower the cost of health care for our constituents, and for ourselves—because we have all been a patient at some point in our lives.

For this reason, I think we can all agree on the need to better integrate information technology (IT) into our health care system. The Institute of Medicine has identified IT as a powerful tool not only for lowering health care costs, but also in reducing medical errors and improving overall quality of care.

Congress and the Bush administration have made it a priority to promote health IT by including it in our Medicare system and appointing a National Health Information Technology Coordinator—a health information czar—in the Department of Health and Human Services.

The administration's goal is to implement health IT standards system-wide by 2014, ten years after the project began.

Although ten years represents a long period of time, it is not unreasonable considering the financial, legal and technical obstacles that exist.

Even with recent technological advances, the task of coordinating IT systems among physicians, pharmacists, hospitals and specialists is both costly and complex.

Furthermore, we cannot sacrifice patients' personal privacy for expediency. I have only to remind you of the recent security breach at the Department of Veterans Affairs, where the identities of millions of retired and active-duty military were compromised, to highlight the value of high security standards.

That's why the bill we are considering today, H.R. 4859, is the wrong bill at the wrong time. It would prematurely mandate health IT implementation for federal employees, creating a rift in the health care system by mandating health IT for the public sector before the private sector even gets started.

We have an obligation to the American people to do all we can to lower the cost of health care, but we must do so in an efficient and effective way.

I look forward to the testimony of today's witnesses and yield back the balance of my time.

WITNESSES

The following individuals are expected to be witnesses at the hearing:

Panel I

- **The Honorable William Lacy Clay (D-MO)**
 - Congressman Clay, I think reasonable people can agree that we need to promote the use of information technology in health care. It's a sensible way to reduce medical errors, lower health costs, and improve quality care. The question, then, is whether the bill we are considering, H.R. 4859, is an effective way to achieve that goal. As you know, the Office of the National Coordinator for Health Information Technology is currently evaluating standards for merging different sets of health data. Given this fact, do you think H.R. 4859 is a bit premature?
 - One of my concerns with the bill is its establishment of a "trust fund" supported by big business. As a cosponsor of the bill, what is your rationale for establishing such a fund and are you concerned that it might present a conflict of interest?
 - Another major concern with mandating health IT standards is protecting patients' privacy. With the recent security breach at the Department of Veterans Affairs, in which the identities of millions of retired and active-duty military were compromised, the need to prioritize privacy standards is clear. What would this bill do to address that issue?

Panel II

- **Dan Green**, Deputy Associate Director, Center for Employee and Family Support Policy, Office of Personnel Management
- Mr. Green, the bill we are considering, H.R. 4859, would allow the Office of Personnel Management (OPM) to access the Employees Health Benefits Fund to implement a health IT program. As far as I know, this fund has traditionally been used *only* to cover OPM's personnel costs and expenses in administering benefits, and to provide additional contingency reserves to health plans. What's your assessment of changing the fund to be used for health IT?

Panel III

- **Charles Fallis**, President, National Active and Retired Federal Employees Association
 - **Colleen Kelley**, National Director, National Treasury Employees Union
 - **Jacqueline Simon**, Director of Public Policy, American Federation of Government Employees
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- This question is for all panelists. A major goal in implementing health IT is to provide better service to patients, by lowering costs and providing a better quality of care. In fact, one of the greatest barriers to implementation has been the fact that health care providers have little incentive to use better technologies—while providers absorb most of the costs, the benefits go to the consumer. The bill we are considering, H.R. 4859, addresses the cost issue by setting up a “trust fund” supported by big business. But I question whether this course of action would be best for patients, considering potential conflicts of interest. As advocates for federal employees, do you think this bill is good for patients?

Panel IV

- **Archelle Georgion, MD**, Executive Vice President, Strategic Relations, Specialized Care Services, UnitedHealth Group
 - **Stephen W. Gammarino**, Senior Vice President, National Programs, Blue Cross and Blue Shield Association
 - **Joe Witkowski**, Vice President, Government Employees Hospital Association, Inc.
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- Dr. Georgion and Mr. Gammarino, America's Health Insurance Plans (AHIP) has argued that consensus on how to design personal health records should be reached before we implement health IT records for any one group. The concern is that by upgrading technology used for federal employees only, there will be compliance issues when other groups follow. As representatives of major providers, do you share this concern?

 - Mr. Witkowski, some of the patients covered under federal health insurance are really sick, taking multiple medications and seeing multiple doctors. Hospitalized patients in particular can see as many as a dozen doctors in a day, depending on their ailment. We need to be sure that these doctors are getting the best information available on what drugs patients are taking and why, to prevent the prescription of drugs that interact badly with each other. One of the concerns with H.R. 4859 is that it switches from provider-based records to claims-based records, which are less detailed. Under this bill, do you think doctors would be able to get the information they need?